

PROPOSED AMENDMENTS TO

SENATE BILL NO. 2224

Introduced by

Senators Myrdal, Luick

1 A BILL for an Act to amend and reenact section 53-06.1-01.1 and subsection 3 of section
2 53-06.1-14 of the North Dakota Century Code, relating to the abolition of the gaming
3 commission ~~and~~, the authorization of the attorney general to administer and regulate gaming,
4 and gaming stamp requirements.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Section 53-06.1-01.1 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **53-06.1-01.1. Gaming ~~commission~~ Attorney general - Gaming - Rules.**

- 9 1. ~~The state gaming commission consists of the chairman and four other members~~
10 ~~appointed by the governor, with the consent of the senate. The members serve~~
11 ~~three-year terms and until a successor is appointed and qualified. If the senate is not~~
12 ~~in session when the term of a member expires, the governor may make an interim~~
13 ~~appointment, and the interim appointee holds office until the senate confirms or rejects~~
14 ~~the appointment. A member appointed to fill a vacancy arising from other than the~~
15 ~~natural expiration of a term serves only for the unexpired portion of the term. The~~
16 ~~terms of the commissioners must be staggered so no more than two terms expire~~
17 ~~each July first.~~
- 18 2. A person is ineligible for appointment to the commission if that person has not been a
19 resident of this state for at least two years before the date of appointment. A person is
20 also ineligible if that person is not of such character and reputation as to promote

1 public confidence in the administration of gaming in this state. A person is also
2 ineligible if that person has been convicted of a felony criminal offense or has pled
3 guilty or been found guilty of any violation of chapter 12.1-06, 12.1-08, 12.1-09,
4 12.1-10, 12.1-11, 12.1-12, 12.1-22, 12.1-23, 12.1-24, 12.1-28, 53-06.1, or 53-06.2, or
5 has pled guilty or been found guilty of any violation of section 6-08-16 or 6-08-16.2, or
6 has pled guilty or been found guilty of any offense or violation that has a direct bearing
7 on the person's fitness to be involved in gaming, or who has committed an equivalent
8 offense or violation of the laws of another state or of the United States. A person who
9 has a financial interest in gaming or is an employee or a member of the gaming
10 committee of a licensed organization or distributor cannot be a member of the
11 commission. For the purpose of this subsection, a financial interest includes the
12 receiving of any direct payment from an eligible organization for property, services, or
13 facilities provided to that organization.

14 3. ~~Commission members are entitled to seventy-five dollars per day for compensation for~~
15 ~~each day spent on commission duties and mileage and expense reimbursement as~~
16 ~~allowed to other state employees.~~

17 4. ~~The commission~~attorney general shall adopt rules in accordance with chapter 28-32, to
18 administer and regulate the gaming industry, including ~~methods~~:

- 19 1. Methods of conduct, play, and promotion of games; ~~minimum~~
- 20 2. Minimum procedures and standards for recordkeeping and internal control; ~~requiring~~
- 21 3. Requiring tax returns and reports from organizations or distributors; ~~methods~~
- 22 4. Methods of competition and doing business by distributors and manufacturers;
23 acquisition
- 24 5. Acquisition and use of gaming equipment; ~~quality~~
- 25 6. Quality standards or specifications for the manufacture of pull tabs, paper bingo cards,
26 electronic pull tab devices, pull tab dispensing devices, bingo card marking devices,
27 and fifty-fifty raffle systems; ~~to~~
- 28 7. To ensure that net proceeds are used for educational, charitable, patriotic, fraternal,
29 religious, or public-spirited uses; ~~to~~
- 30 8. To protect and promote the public interest; ~~to~~
- 31 9. To ensure fair and honest games; ~~to~~

1 10. To ensure that fees and taxes are paid; and to

2 11. To prevent and detect unlawful gambling activity.

3 **SECTION 2. AMENDMENT.** Subsection 3 of section 53-06.1-14 of the North Dakota
4 Century Code is amended and reenacted as follows:

5 3. A licensed distributor shall affix a North Dakota gaming stamp to each deal of paper
6 pull tabs, raffle board, punchboard, sports pool board, calcutta board, and series of
7 paddlewheel ticket cards sold or otherwise provided to a licensed organization or
8 organization that has a permit and shall purchase the stamps from the attorney
9 general for thirty-five cents each. Ten cents of each stamp sold by the attorney
10 general, up to thirty-six thousand dollars per biennium, must be credited to the
11 attorney general's operating fund to defray the costs of issuing and administering the
12 gaming stamps. If an organization hosts an event with a raffle board and only sells
13 numbered squares on the day of event, the organization is exempt from the
14 requirements under this subsection.